

**FEDERAL RESERVE BANK  
OF DALLAS**

Dallas, Texas, May 27, 1949

**CONDITION OF MEMBER BANKS, APRIL 11, 1949**

**To the Member Banks of the  
Eleventh Federal Reserve District:**

A statement of the condition of member banks in the Eleventh Federal Reserve District as of April 11, 1949, with comparative figures for December 31, 1948, and April 12, 1948, is presented on the reverse side of this letter. Changes in principal accounts of member banks in the District during the latest reporting period, extending from December 31, 1948, to April 11, 1949, include decreases in total loans, holdings of United States Government securities, total deposits, and cash assets but an increase in total capital accounts.

The decline of approximately \$56,000,000 in total loans reported for the period ended April 11, 1949, is in contrast with the increase of about \$45,000,000 during the comparable period in 1948. The decline in total loans was the result of a contraction of loans at member banks in the larger cities, since loans at member banks in the smaller cities and towns of the District rose during the period, apparently in response to a seasonal demand for agricultural credit.

A number of general economic factors have been primarily responsible for the declining loan trend. A somewhat lower level of business activity, lower prices, slightly smaller bank credit requirements for inventory purposes, and a slowing down in the volume of new construction, all have contributed to the decline. In addition, constructively cautious loan policies of banks and more frequent and closer appraisal of loan portfolios have been influencing factors in bringing about the smaller loan volume.

Investment in United States Government securities showed a decline of about \$86,000,000 at the District's member banks during the period ended April 11, 1949, a decline which was smaller dollarwise and percentagewise than that which was reported for the same period in 1948. Holdings of other securities, including obligations of states and political subdivisions, declined slightly during the period, in contrast with a moderate increase during the comparable period last year.

Total deposits of member banks in the District declined approximately \$467,000,000 between December 31, 1948, and April 11, 1949, a decline of 7.6 percent, as contrasted with a decline of 5.8 percent during the same period a year ago. Deposits due to banks showed the largest decline during the latest reporting period—\$225,000,000—while demand deposits of individuals, partnerships, and corporations declined by \$202,000,000 and miscellaneous deposits, by about \$86,000,000. On the other hand, deposits of the United States Government and of states and political subdivisions increased \$15,000,000 and \$20,000,000, respectively. As member banks of the District were faced with the necessity of meeting deposit withdrawals they drew upon cash and balances with correspondents, with the consequence that these items showed a total decline of about \$311,000,000. Reflecting the increase in the rate of savings that has been apparent this year to date, time deposits of individuals, partnerships, and corporations rose by \$11,000,000 during the period ended April 11, 1949, as compared with an increase of \$2,000,000 during the same period in 1948.

Total capital accounts of the District's member banks rose to about \$358,581,000 on April 11, 1949, an increase of \$16,191,000 from the total reported on December 31, 1948. The increase during this latest reporting period was only slightly less than the \$17,388,000 increase reported during the comparable period ended April 12, 1948.

Yours very truly,

R. R. GILBERT

President

**COMPARATIVE STATEMENT OF CONDITION OF MEMBER BANKS  
ELEVENTH FEDERAL RESERVE DISTRICT**

Item	April 11, 1949 <sup>p</sup>	December 31, 1948 <sup>r</sup>	April 12, 1948 <sup>r</sup>
Member banks in Eleventh District.....	620	618	616
Loans, including overdrafts.....	1,779,664,000	1,835,718,000	1,625,015,000
U. S. Government obligations, direct and guaranteed.....	2,036,671,000	2,122,615,000	2,163,177,000
Obligations of states and political sub- divisions.....	247,601,000	249,464,000	231,654,000
Other securities.....	60,385,000	61,385,000	59,337,000
<b>TOTAL LOANS AND INVESTMENTS</b> .....	<b>4,124,321,000</b>	<b>4,269,182,000</b>	<b>4,079,183,000</b>
Individual—Demand deposits.....	3,853,141,000	4,055,431,000	3,862,197,000
Individual—Time deposits.....	517,441,000	506,314,000	492,890,000
Deposits of U. S. Government, including postal savings.....	86,478,000	71,243,000	81,872,000
Deposits of states and political sub- divisions.....	582,993,000	562,890,000	488,720,000
Deposits of banks.....	585,423,000	810,089,000	617,457,000
Other deposits.....	46,696,000	132,853,000	52,633,000
<b>TOTAL DEPOSITS</b> .....	<b>5,672,172,000</b>	<b>6,138,820,000</b>	<b>5,595,769,000</b>
<b>TOTAL CAPITAL ACCOUNTS</b> .....	<b>358,581,000</b>	<b>342,390,000</b>	<b>336,341,000</b>
Cash and balances due from banks.....	1,853,215,000	2,164,652,000	1,806,331,000
Borrowings from Federal Reserve Bank.....	280,000	—o—	387,000
All other borrowings.....	103,000	—o—	100,000
Ratio of loans to total loans and invest- ments.....	43.2%	43.0%	39.8%
Ratio of cash and exchange to total deposits.....	32.7%	35.3%	32.3%

r—Revised.

p—Preliminary.

**PRINCIPAL ASSET AND LIABILITY ITEMS OF ALL MEMBER BANKS  
AS OF SELECTED CALL DATES**

**ELEVENTH FEDERAL RESERVE DISTRICT**

(In thousands of dollars)

Date	Total Deposits	Total Loans	Total Investments	Total Loans and Investments	Total U. S. Gov. Secs.	Total Capital Accounts
March 29, 1939	1,392,296	462,555	426,652	889,207	297,873	163,924
March 26, 1940	1,566,740	481,612	429,947	911,559	286,077	170,637
April 4, 1941	1,770,340	578,611	460,481	1,039,092	308,359	179,633
April 4, 1942	2,008,777	644,140	559,171	1,203,311	397,105	187,163
April 13, 1944	3,626,910	672,662	1,849,078	2,521,740	1,722,605	210,584
March 20, 1945	4,484,246	815,794	2,331,123	3,146,917	2,202,830	239,085
April 12, 1948 <sup>r</sup>	5,595,769	1,625,015	2,454,168	4,079,183	2,163,177	336,341
April 11, 1949 <sup>p</sup>	5,672,172	1,779,664	2,344,657	4,124,321	2,036,671	358,581

r—Revised.

p—Preliminary.